






Finance Committee Meeting

Commission Chamber- 3/13/2018- 1:05 PM

FINANCE

1. Approve Excess Workers' Compensation Insurance with Safety National With Statutory limits and a \$750,000 Self Insured Retention (SIR – otherwise known as the deductible) to cover all positions for a premium of \$369,658.  [Attachments](#)
2. Motion to approve the minutes of the Finance Committee held on February 27, 2018.  [Attachments](#)
3. Request Human Resources Department provide the following:  [Attachments](#)
1)Detail presentation on the retirement briefing and option that all employees are presented when they retire and **2) Evidence** that the Health Care Plan is offered to the employee that they must either accept or reject and **3)Evidence** from our Health Care Plan specifically authorizes the carry over after retirement up to the age of 65 when Medicare/Medicaid becomes effective and **4) Provide** commissioners all presentation information electronically. **(Requested by Commissioner Sammie Sias)**

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**Finance Committee Meeting
3/13/2018 1:05 PM
2018 Renewal of Excess Worker's Compensation Insurance**

Department: Finance - Risk Management Division

Presenter: Joe Crozier, Judy Blackstone

Caption: Approve Excess Workers' Compensation Insurance with Safety National With Statutory limits and a \$750,000 Self Insured Retention (SIR – otherwise known as the deductible) to cover all positions for a premium of \$369,658.

Background: Excess Workers Compensation coverage (a per occurrence policy) has been purchased in the past as a measure to cap any potential catastrophic loss against Augusta-Richmond County. Augusta's current SIR is \$1,000,000. Stated simply each worker's compensation claim has the potential cost of \$1,000,000 to the government before the excess coverage policy takes effect.

Analysis: Past claim experience, current claim exposure, and potential future cost were considered. It was determined that an SIR of \$750,000 is more appropriate for our level of risk. Corvel, our Workers' Compensation Third Party Administrator, was requested to obtain quotes from A or A+ companies. Corvel received the following quotes from the following companies: Safety National Casualty XL Insurance ACE/Chubb Prosight Specialty Insurance The following companies declined to provide an offer: Midwest Employers Casualty Company Hartford Insurance Company PMA Group Sompo Japan Insurance Company of America Old Republic Risk Management

Financial Impact: Lowering the SIR from \$1,000,000 to \$750,000 lowers the government's maximum exposure by \$250,000 for each claim, but also has a higher premium . Reducing the exposure level of only one claim would provide a significant financial return over the increased premium amount.

Alternatives: 1) Continue current level of coverage at \$1,000,000 SIR with an increased level of exposure of \$250,000 per claim for premium of \$304,819 or 2) Drop coverage accepting full exposure/cost for any claim over Memo Item # 1

catastrophic job related injury.

Recommendation: Approve coverage with Safety National Casualty (lowest premium quote) with SIR of \$750,000 for all positions with Statutory Limit for a deposit premium of \$369,658.

**Funds are Available
in the Following
Accounts:** 621 01 5233 55.21110 WC/Risk Management

REVIEWED AND APPROVED BY:

Finance.

Law.

Administrator.

Clerk of Commission



**Finance Committee Meeting
3/13/2018 1:05 PM
Minutes**

Department: Clerk of Commission

Presenter:

Caption: Motion to approve the minutes of the Finance Committee held on February 27, 2018.

Background:

Analysis:

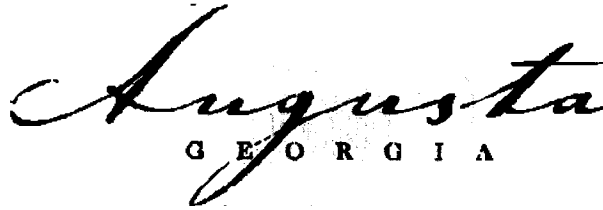
Financial Impact:

Alternatives:

Recommendation:

**Funds are Available
in the Following
Accounts:**

REVIEWED AND APPROVED BY:



Finance Committee Meeting Commission Chamber - 2/27/2018

ATTENDANCE:

Present: Hons. Frantom, Chairman; Sias, Vice Chairman; Hasan and Guilfoyle, members.

Absent: Hon. Hardie Davis, Jr., Mayor.

FINANCE

1. Motion to approve the minutes of the Finance Committee held on February 13, 2018.

**Item
Action:**
Approved

Motions

| Motion Type | Motion Text | Made By | Seconded By | Motion Result |
|-------------|------------------------------------------|--------------------------|------------------------|---------------|
| Approve | Motion to approve. Motion Passes 4-0. | Commissioner Sammie Sias | Commissioner Ben Hasan | Passes |

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**Finance Committee Meeting
3/13/2018 1:05 PM
Personnel Retirement Briefing**

Department:

Presenter: Commissioner Sammie Sias

Caption: Request Human Resources Department provide the following: **1) Detail** presentation on the retirement briefing and option that all employees are presented when they retire and **2) Evidence** that the Health Care Plan is offered to the employee that they must either accept or reject and **3) Evidence** from our Health Care Plan specifically authorizes the carry over after retirement up to the age of 65 when Medicare/Medicaid becomes effective and **4) Provide** commissioners all presentation information electronically.
(Requested by Commissioner Sammie Sias)

Background:

Analysis:

Financial Impact:

Alternatives:

Recommendation:

**Funds are Available
in the Following
Accounts:**

REVIEWED AND APPROVED BY: